

(and in accordance with) the requirements of the HPG program.

(b) Grantees are encouraged to establish a program which reuses income from loans after the grant period for continuing repair and rehabilitation activities, as well as for individual housing replaced.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

**§ 1944.671 Equal opportunity requirements and outreach efforts.**

The policies and regulations contained in subpart E of part 1901 of this chapter apply to grantees under this subpart.

(a) *Fair housing.* The Fair Housing Act prohibits any person or entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making loans, grants, or other financial assistance for a unit or dwelling, or which will be secured by a unit or dwelling, because of race, color, religion, sex, national origin, age, familial status, or handicap/disability. Prohibited practices under this section include:

(1) Failing to provide any person in connection with a residential real estate-related transaction, information regarding the availability of loans, grants, or other financial assistance, or providing information that is inaccurate or different from that provided others; and

(2) The term *residential and real estate-related transaction* includes the making or purchasing of loans, grants, or other financial assistance for purchasing, constructing, improving, repairing, or rehabilitating a unit or dwelling, as well as for replacement housing for individual homeowners.

(b) *Outreach.* In addition, the HPG grantee is required to address an outreach effort in their program. The amount of outreach should sufficiently reach the entire service area. As a measure of compliance, the percentages of the individuals served by the HPG grantee should be in proportion to the percentages of the population of the service area by race/national origin. If the percentages are not proportional, then adequate justification is to be made. Exhibit E-1 of this subpart

(available in any FmHA or its successor agency under Public Law 103-354 office) will be used to monitor these requirements. (Further explanation and guidance of exhibit E-1 can be found in exhibit E-2 of this subpart which is available in any FmHA or its successor agency under Public Law 103-354 office). A separate file will be maintained by the grantee that will include the following outreach activities:

(1) Community contacts to community organizations, community leaders, including minority leaders, by name, race, and date contacted;

(2) Copies of all advertising in local newspapers, and through other media. Any advertising must reach the entire service area. FmHA or its successor agency under Public Law 103-354 encourages the use of minority-owned radio stations and other types of media, if available, in the service area. The grantee's file shall also include the name of the media used, and the percentage of its patronage by race/national origin; and

(3) Copies of any other advertising or other printed material, including the application form used. The application form shall include the nondiscrimination slogan: "This is an equal opportunity program. Discrimination is prohibited by Federal Law."

(c) *Additional requirements.* In order to meet the Fair Housing requirements and the nondiscrimination requirements of Title VI of the Civil rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, the HPG grantee will need to adhere to the recommendations of exhibit H of this subpart (available in any FmHA or its successor agency under Public Law 103-354 office).

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**§ 1944.672 Environmental requirements.**

Subpart G of part 1940 of this chapter will be followed regarding environmental requirements. The following is additional information on how to approach HPG projects under those requirements:

(a) The approval of an HPG grant for the repair, rehabilitation, or replacement of dwellings shall be a Class I action. As part of their preapplication materials, applicants shall submit Form RD 1940-20, "Request for Environmental Information," for the geographical areas proposed to be served by the program. The applicant shall refer to exhibit F-1 of this subpart (available in any Rural Development State or District Office) when completing Form RD 1940-20. Further guidance on completing this form is available from the Agency office servicing the program.

(b) The use of HPG funds by the grantee to repair, rehabilitate, or replace on the same site, specific dwellings is generally exempt from an RHS environmental review. However, if such dwellings are located in a floodplain, wetland, or the proposed work is not concurred in by the Advisory Council on Historic Preservation under the requirements of §1944.673, an RHS environmental review is required. Dwellings within the Coastal Barrier Resources System are not eligible for HPG assistance. Applicants must include in their preapplication a process for identifying dwellings that may receive housing preservation or replacement housing assistance that will require an environmental assessment. This may be accomplished through use of exhibit F-2 of this subpart (available in any Rural Development State or District Office) or another process supplying similar information acceptable to RHS.

(c) If a specific dwelling is not located in a floodplain, wetland, or the proposed work is concurred in by the Advisory Council on Historic Preservation under the requirements of §1944.673 of this subpart, no environmental review is required by FmHA or its successor agency under Public Law 103-354. The grantee only needs to indicate its review and compliance with this subpart, indicating such in each recipient's file in accordance with paragraph (e) of this section.

(d) When a dwelling requiring an environmental assessment is proposed for HPG assistance, the grantee will immediately contact the RHS office designated to service the HPG grant. Prior

to approval of HPG assistance to the recipient by the grantee, RHS will prepare the environmental assessment in accordance with part 1940, subpart G, of this chapter with the assistance of the grantee, as necessary. Paragraph VIII of exhibit C of this subpart (available in any Rural Development State or District Office) provides further guidance in this area.

(e) If FmHA or its successor agency under Public Law 103-354 is required to make an environmental assessment, the grantee will be provided with a copy of the assessment which will be made part of the recipient's file. The grantee must also include in each recipient's file:

(1) Documentation on how the process for historic preservation review under §1944.673 of this subpart has been complied with, including all relevant reviews and correspondence; and

(2) Determination as to whether the unit is located in a 100-year floodplain or a wetland.

(3) *Documentation of this review.* Suggested language is: "We have considered this dwelling under FmHA or its successor agency under Public Law 103-354's environmental and historic preservation requirements for a HPG (§§1944.672 and 1944.673 of this subpart) and an environmental assessment is not required. The review was completed in accordance with the process to identify properties requiring an FmHA or its successor agency under Public Law 103-354 environmental assessment approved with our statement of activities."

(f) Proposed use of funds by an applicant to use monies for additions under §1944.664 (c)(11) of this subpart must be addressed in the statement of activities.

(g) Grantees must contact FmHA or its successor agency under Public Law 103-354 prior to actual usage of funds by the grantees under §1944.664 (c)(11) of this subpart. FmHA or its successor agency under Public Law 103-354 must complete the appropriate level of environmental review in accordance with subpart G of part 1940 of this chapter.

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